INFORMATION REPORT

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CENTRAL INTELLIGENCE AGENCY REPORT NO.

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COUNTRY

Austria/Yugoslavia/Poland

DATE DISTR. 12 July 1948

SUBJECT

Austrian Communist Party Developments

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SUPPLEMENT TO REPORT NO.

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- On 6 July 1948, a meeting of the Austrian Communist Party Central Committee was also attended by CP leaders of Bezirk and landesleitung level. The neeting was called in order to determine whether the Party should
 - favor Tito; a)
 - adhere to the Cominform line, or b)
 - remain neutral in its immediate future policy regarding the Yugoslav Communist Party.
- At the request of Friedl Fürnberg, the third alternative c) was immediately eliminated. Fürnberg spoke in favor of following the Cominform 2. policy, denouncing Tito as a "traitor" to Corrunism. He also requested that the Austrian CP maintain strict discipline within its ranks and stated that democracy and free speech must be retained in the Party. Firmberg stated that Tito might possibly offer to make a settlement concerning the pending territorial question between Yugoslavia and Austria on his own initiative, but that the Austrian CP must reject such an offer because it would be nothing more than "poisoned bait".
- Braunsteiner (fm.), Austrian Communist representative at the recent Warsaw з. Conference, stated that the foreign ministers there had discussed the merits of an economic and cultural union of all the eastern bloc countries. He made no mention of a political union. Braunsteiner added that an economic and cultural union would bring out the best in all these countries. Karl Franz Steinhardt, member of the CP Central Committee, replied that such a union night be good for Slavic countries, but would be unsuftable for Austria because of the latter's western culture.
- A general discussion followed, which was devoid of any demunciations or recriminations by either side. Strong support was voiced for Tito on purely nationalist grounds, and several members remarked that Tito is not a selfimportant egotist but an idealistic nationalist who ruts the welfare of his own nation before all else.

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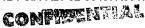
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- 5. Dr. Ludwig Soswinski described the Party's financial status and compared Austrian CP finances unfavorably with those of eastern parties. He referred specifically to the Polish CP, which, he said, had funds totalling more than 100,000,000 zloty. He pointed out that the Austrian CP has about 300,000 schillings, but remarked that USIA firms have promised to donate 1,200,000 schillings within the next few months. The Party is now establishing strike and so-called "self-defense" funds. Source believes that little of this money is to be used for the purchase of weapons.
- 6. The meeting ended without putting the question of policy to a vote. It was suggested that this vote be taken at a future meeting when a "more unanimous decision" could be reached. It is reported that about sixty percent of those present were pro-Tito; the remainder favored the Cominform. Most of the Party leaders were in the latter group, and the rank and file were in the majority.
- 7. Following the meeting, Fürnberg and several other Central Committee members repaired to a private room where four Russians in civilian clothes were waiting. Fürnberg reported to the Russians that no vote had been taken.

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Compent: The meeting described above took place after the publication of the Party's official stand in favor of the Cominform.)

Composition!